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Public Service Commission

October 17, 2024

STAFF'S SEVENTH DATA REQUEST *via email*

Beth Keating, Esquire
Florida Public Utilities Company
Gunster, Yoakley & Stewart, P.A.
215 South Monroe Street, Suite 601
Tallahassee, FL 32301
bkeating@gunster.com

RE: Docket No. 20240099-EI – Petition for rate increase by Florida Public Utilities Company.

Dear Ms. Keating:

By this letter, the Commission staff requests that Florida Public Utilities Company (FPUC) provide responses to the following data requests:

1. Please refer to Florida Public Utilities Company (Company or FPUC) Minimum Filing Requirements (MFR), Schedule B3-a, page 3 of 3, "Florida Common (2025)," for the following request. Please explain, with specificity, how the "Allocations Percentages" (i.e., "14.70%," "16.91%," "28.00%," "17.57%," and "19.52%") shown on this Schedule were developed. Please also provide the calculations showing all steps.

2. Please refer to MFR Schedule B-9 (2025), page 9 of 12 for the following request. During its review of the Company's depreciation expense-related data contained in the MFRs, staff observes a number of significant differences between FPUC's proposed depreciation expense and its estimated expense for certain accounts.¹ The specific accounts are as follows: Account 303.2 – Intangible Plant CIS, Account 350.2 – Rights of Way, Account 352E – Structures & Improvements, Account 353E – Station Equipment, Account 354E – Towers & Fixtures, Account 355C – Poles & Fixtures - Concrete, Account 355S – Poles & Fixtures SPP, and Account 365S – Overhead Conductors & Devices. Please explain the difference in the Company proposed and staff estimated depreciation expense for each account listed in the table below:

Account No.	Account Title	Dep. Rate ² (%)	P.I.S. 13-Month Average (\$)	Total Depreciation Accrued (\$)	Staff Estimated Expense (\$)	Difference (\$)
303.2	Intangible Plant CIS	5.00	6,766,016	251,282	338,301	(87,019)
350.2	Rights of Way	1.30	17,629	19	229	(210)
352E	Structures & Improvements	1.40	1,950,167	2,501	27,302	(24,801)
353E	Station Equipment	1.90	11,927,779	51,773	226,628	(174,855)
354E	Towers & Fixtures	1.00	224,802	107,831	2,248	105,583
355C	Poles & Fixtures - Concrete	2.00	3,904,731	10,629	78,095	(67,465)
355S	Poles & Fixtures - SPP	2.00	2,121,968	61,197	42,439	18,758
365S	Overhead Conductors & Devices	2.10	11,324,543	163,478	237,815	(74,337)

¹Staff estimated the account-level depreciation expense by multiplying the 13-month average plant in service balance by the associated approved depreciation rate.

²Order No. PSC-2023-0384-PAA-EI, issued December 21, 2023, in Docket No. 20230079-EI, *In re: Petition for approval of 2023 depreciation study by Florida Public Utilities Company.*

3. Please refer to MFR Schedule B-7 (2025), page 10 of 12, line 8 for the following request. Please explain why Account 391.4 – System Software has a negative plant balance of (\$35,527).
4. Please refer to MFR Schedule B-9 (2025), page 10 of 12, line 41 for the following request. Please explain why Account 391.4 – System Software has a negative reserve balance of (\$88,131) and a negative accrual of (\$3,553).
5. Please refer to MFR Schedule B-9 (2025), page 10 of 12, lines 55 and 56 for the following request. For accounts 392.2 and 392.3, the reserve activity indicates retirements of (\$234,000), and (\$26,000), respectively. Please explain why there is no net salvage associated with the retirement of these transportation equipment-related investments.
6. Please refer to MFR Schedule B-7 (2025), page 10 of 12, lines 6-7, 9, and 11, and MFR Schedule B-9 (2025), page 10 of 12, lines 39-40, 42, and 44 for the following request. Please explain why accounts 391.2, 391.3, 393.0, and 395.0 all have reserve balances with no associated plant in service balances.
7. Please refer to MFR Schedule B-9 (2025), page 10 of 12, lines 39 and 40 for the following request. Please explain why Account 391.2 – Computer Hardware, and Account 391.3 – Furniture & Fixtures, have negative reserve balances of (\$50) and (\$143), respectively.

8. Please refer to MFR Schedule B-7 (2025), page 10 of 12, line 5, and MFR Schedule B-9 (2025), page 10 of 12, un-numbered line (account 391.1) the following request. Please explain why Account 391.1 – Computer and Peripheral, which is amortized (5 year), has a plant balance of \$4,171 with a nearly double corresponding reserve balance of \$8,135.³

Please file all responses electronically no later than Thursday, October 31, 2024, through the Commission's website at www.floridapsc.com, by selecting the Clerk's Office tab and Electronic Filing Web Form. *In addition, please email the filed response to discovery-gcl@psc.state.fl.us.*

Please feel free to call me at (850) 413- 6218 if you have any questions.

Sincerely,

/s/ Suzanne Brownless
Suzanne Brownless
Special Counsel

SBr/ds

cc: Office of Commission Clerk

³*Id.*